



## City of Newport Beach SPECIAL EVENTS ADVISORY COMMITTEE Minutes - DRAFT

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**Date:** April 2, 2012  
**Time:** 3:30 pm  
**Location:** OASIS Senior Center, Room 2

### 1. Call to Order

### 2. Roll Call

**Committee Members present:**

Dana Smith, Assistant City Manager/Chair  
Paul Blank  
Judy Brower  
Jeff Cole  
Janis Dinwiddie  
Vicki Higgins  
Marshall Topping

**Staff present:**

Michael Torres, Deputy City Attorney  
Mary Locey, Public Information Specialist  
Shirley Oborny, Executive Assistant to the City Manager

**Guests present:**

Peggy Fort  
Thomas Giulioni  
Heather Humphries  
Daniel Kuperschmid  
Linda Leonhard  
Richard Luehrs  
Jim Mosher  
Jeff Parker  
Leslie Perovich  
Todd Quartararo  
John Robinson  
Gregg Schwenk

### 3. Comments from the Public on Non-Agenda Items

- Mr. Mosher said that at the last meeting he pointed out that the origin of the scoring sheet is not very clear and the description in the minutes of how the scoring sheet was arrived at is inadequate; he hopes the minutes can be amended to accurately reflect the discussion at the November 21, 2011, meeting.
- Mr. Mosher thinks the process of not allowing the public to view the scoring sheets doesn't serve the public well. In his opinion, that's equivalent to a secret ballot and a violation of the Brown Act.

#### **4. Approval of Minutes**

The committee approved the November 21, 2011 meeting minutes. Mr. Blank abstained because he was not present at that meeting.

#### **5. Current Business**

##### **A) Applicant Interviews**

Ms. Smith provided an overview of today's process:

- Each applicant would be allowed five minutes to make a presentation;
- There would be a five minute question and answer period between the committee and presenter;
- The committee would then score the event based on the criteria and then set the score aside;
- The public would be allowed to make public comments;
- There would be a break for staff to collect the scoring sheets and score them based on the average which will result in a ranking;
- The committee will discuss the ranking and have the opportunity to make amendments to the ranking by proposing a motion to vote on any changes;
- This will result in a majority recommendation to the City Council;
- The individual score sheets will not be released, the ranking will be released.

Mr. Torres reminded the committee of the conflict of interest/recusal rules.

##### Corona del Mar Chamber of Commerce Christmas Walk (Linda Leonhard)

Ms. Dinwiddie recused herself from the presentation and discussion because she is a member of the Corona del Mar Chamber of Commerce.

Q. Ms. Brower asked if the event generates overnight stays;

A. It brings in 7,000 participants and many of them are from out of town but she didn't know if any stayed in hotels.

Q. Mr. Cole asked if there were some in kind services the event requires:

A. We pay for the use of the lower lot at Bandera and Rite Aide. We pay \$2,100 for police services and equipment rental, entertainment and associated fees. The \$16,000 is for insurance and staff payroll.

Q. Mr. Blank asked how the participants are encouraged to come back and visit the area;

A. She said they have a very popular Facebook page. In the past data has been collected with the use of kiosks. There are direct mail pieces as well as other marketing avenues.

##### Newport Beach Restaurant Association BID – Restaurant Week (Peggy Fort)

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event.

Q. Mr. Cole asked if the BID have their own fund raising;

- A. Yes, it's funded through BID Assessments, and City allocates sponsorship dollars for events like this and matching funds to the other three BIDS in the City. The Restaurant Week also generates revenue through Dining Guide ad sales. Through events like restaurant week it generates \$55,000 of cash sponsorship which gets put back into the operational or marketing expenses for the campaign.
- Q. Mr. Cole asked how much money the BID, if any, gives to this event;
- A. Last year it allocated \$45,000 for the campaign. The restaurant buy-in fees were increased by 37% and the total value of that equaled \$55,000.
- Q. Mr. Cole asked if she thinks the event still needs the same amount of marketing;
- A. Right now the market place is oversaturated with competition and promotions. This campaign brands Newport Beach dining. It's an opportunity to leverage marketing that otherwise wouldn't be affordable. The marketing is aggressive because of the competition and with the challenges of doing business in the current state of the economy.
- Q. He asked how much sales tax the event generates;
- A. They are finalizing the result tabulations from the 2012 campaign. She will be presenting them to the City Council in May. The rough estimate for 2011 was about \$61,000 sales tax back to the City.

Newport Beach Chamber of Commerce – Annual Taste of Newport (Richard Luehrs and Jeff Parker)

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event. Ms. Dinwiddie recused herself because she's a member of the Newport Beach Chamber of Commerce.

- Q. Mr. Cole asked how many hotels rooms were booked for the event besides the ones the Chamber books;
- A. He said 52% of the attendees were from Orange County, not specifically Newport Beach. People come from all over the country so they assume some of them are staying at hotels.
- Q. Mr. Cole asked if they were able to provide charitable grants in the years where they didn't make a profit;
- A. That's correct. We were not able to provide any grants.
- Q. Mr. Topping asked if the "overhead" figure refers to reimbursement to the Chamber;
- A. That's correct.
- Q. Mr. Topping asked what the average ticket costs;
- A. It's about \$23 general admission at the gate. Parking is free.
- Q. Mr. Topping asked if why the City was not included as a sponsor last year.
- A. The City provided in-kind services but it wasn't at the sponsorship level.
- Q. Mr. Cole asked if the "overhead" are employees working directly on this event;
- A. To a great extent - yes. The Chamber has a policy that it charges itself 20% overhead for event it puts on.

#### Newport Beach Film Festival (Greg Schwenk and Todd Quartararo)

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event.

Q. Mr. Blank asked what is included in sponsorship development;

A. It could be if somebody is going out and getting sponsors for them or it could be the cost of producing materials.

Q. Mr. Blank asked if the consulting fees are related to marketing, programming or both.

A. Both, and also office management. As the CEO, Mr. Schwenk takes a small salary and his senior staff's stipends are very small compared to other festivals. They rely heavily on volunteers as well.

Q. Mr. Blank asked the break down between programming versus marketing consultant fees;

A. 60/40 but it can vary. They do have to provide some type of living stipend to keep the staff with the organization which is important to keep the institutional knowledge.

Q. Mr. Cole asked what event production is;

A. It could be lighting, sound, stage, and incidentals to the event itself.

Q. Mr. Cole asked if there are any charitable aspects;

A. They partner with 60 major non-profits. They give free screenings, pre-programs for kids, families, seniors and students.

Q. Ms. Dinwiddie asked what event production is;

A. It can range from a venue all the way through staging, lighting, 30 different promotional restaurants, etc.

#### Newport Beach Chamber of Commerce – Christmas Boat Parade (Richard Luehrs and Jeff Parker)

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event. Ms. Dinwiddie recused herself because she's a member of the Newport Beach Chamber of Commerce.

Q. Mr. Blank asked about road or traffic diversions;

A. There are some cones put out on Jamboree allowing access to Balboa Blvd. There are no officers there, just traffic control equipment.

Q. Mr. Blank asked how many hotel nights he thinks are purchased for the event;]

A. Somewhere between 100 and 1,000.

Q. Mr. Cole asked about the Awards Dinner budget;

A. He gave background history about how the awards were previously a small breakfast and how it made the boat parade participants feel unappreciated.

Q. Mr. Cole asked who the sponsors were;

A. Visit Newport Beach and Traditional Jewelers were contributing sponsors; Simple Green and McGuires are participating sponsors.

Mr. Parker added that this year they have added five hotels to their webpage and continue with the boat charter information posted there as well.

Mr. Luehrs said the mission of the Chamber of Commerce is to promote economic opportunity and they feel this meets that mission.

Hyatt Regency Summer Concert Series(Daniel Kuperschmid and Heather Humphries

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event.

Q. Ms. Brower asked what the partnerships with the high schools entail;

A. It's involves reaching out to the music departments of the high schools have the opportunity to share the experience.

Q. Mr. Blank asked how much the tickets cost;

A. \$45 to \$65.

Q. Mr. Cole asked why a budget was not submitted;

A. They didn't provide one because they're a public company and so they're cautious of what they share financially.

Q. Mr. Cole asked about the sponsorship they're seeking;

A. Infinity had been their previous sponsor of \$40,000. They want to see if the City would be the title sponsor this year.

Q. Mr. Cole asked about hotel nights;

A. They're unable to say if there is any spillover to other hotels for these smaller events.

Q. Mr. Cole asked about what the grant money would be used for;

A. Primarily marketing of the events, the printed material costs between \$20,000 and \$25,000.

Q. Ms. Dinwiddie asked what benefits the City would receive for the \$40,000 sponsorship;

A. The City would receive a sky box for two or three events that could be used for entertaining or companies being considered for economic development, for example. Hotel rooms could be provided for out of town guests. They would name the event the City of Newport Beach Summertime Concert Series.

Newport Harbor Nautical Museum (Leslie Perovich)

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event.

Q. Mr. Blank asked if they plan to market with other nearby businesses;

A. Other businesses will offer incentives as well. They are appreciative the City will keep the parking free. The ferris wheel ride will offer \$1.00 off.

Q. Mr. Cole asked how many people will attend the event;

A. It's hard to predict but she hopes it's in the 200 to 300 range and as word gets out, eventually 500. They are seeking families from Orange County.

Newport Beach Ocean Sailing Association (NOSA) Ralph Rodheim and Jerry Shandera

Ms. Higgins recused herself from the presentation and discussion because her organization provides marketing and promotional services for this event. Ms. Dinwiddie recused herself because she's a member of the Newport Beach Chamber of Commerce.

Q. Mr. Cole commented that there wasn't a budget included with the application;

A. They are a 501(c3) non-profit. They provide support to the Newport Beach Sea Base. They use a media person who helps advertise online and offline, they provide publications, trophies, posters, race programs, the send off party, seminars up and down California and 200 volunteers. These funds are used to help promote the race and the City. There are no salaries.

Q. Mr. Cole asked about hotels;

A. When they come they bring their boats down the week before. Some will come on Wednesday and Thursday and stay at the various hotels.

Committee Discussion

Mr. Torres reminded the committee members who previously recused themselves from specific presentations to continue to honor their recusals during the ranking process.

The committee's initial scoring of the event resulted in the ranking below:

Score	Organization	Event
89	Newport Beach Chamber-Boat	Christmas Boat Parade
82	Newport Beach Film Festival	Film Festival
80	Susan G. Komen	Race for the Cure
79	Newport-Mesa Spirit Run	Spirit Run
72	Balboa Island Impr. Association	Balboa Island Parade
70	Corona del Mar Chamber	Christmas Walk
69	Newport Beach Chamber-Taste	Taste of Newport
67	Newport Harbor HS PTA	Heritage Run
66	Newport Beach Restaurant Assoc.	Restaurant Week
66	Pelican Coast Events	Pacific Coast Triathlon
64	NOSA	Newport to Ensenada
62	American Cancer Society	Relay for Life

59	Newport Harbor Nautical Museum	Family Fun Zone Fridays
50	Hyatt Regency	Summer Concert Series
41	Newport High Point Series	Newport High Point Series

The committee began deliberations.

Mr. Cole moved to accept the ranking as presented. Mr. Topping seconded the motion.

Mr. Blank pointed out that the Newport to Ensenada Race is run by volunteers. He moved to amend the motion and rank the Newport to Ensenada Race up two notches so it falls above Restaurant Week. Ms. Brower seconded the motion. The motion failed.

Mr. Topping said he didn't agree with the Pelican Coast event because it's an event more for serious athletes, not so much for the community or outside people. He would like to move that event down two notches.

Mr. Cole moved to raise the Newport to Ensenada event up one position so it ends up below Restaurant Week and above the Pelican Coast Triathlon. Mr. Topping seconded the motion. Ms. Higgins and Ms. Dinwiddie recused themselves. The motion passed.

Ms. Brower voiced her concerns about one of the events. She said it's so well-funded because it benefits from being in Newport Beach, it's tied with Newport Beach, it's expected in Newport Beach and it raises millions of dollars. She would be sad for other events that are purely volunteer, raising money for schools, to lose out on some of their funding because of an event that makes millions of dollars with or without the City's funding. It's a great event and she ranked it high, but she wanted the City Council to consider her comments.

The committee's revised recommendation to the City Council:

#### Ranking - SEAC Amended and Approved 4/2/2012

Score	Organization	Event
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**6. Next Meeting**

No date was discussed.

**7. Adjournment**

The meeting was adjourned at 6:09 p.m.